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GOLDEN CRESENT TRADING SDN BHD

v.

ALPINE AUTO ACCESS SDN BHD; PENDAFTAR REKABENTUK PERINDUSTRIAN (INTERESTED PARTY)

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HIGH COURT MALAYA, KUALA LUMPUR
RAMLY ALI J
[ORIGINATING SUMMONS NO: (D7) D5-25-18-2007]
C 4 APRIL 2008

INTELLECTUAL PROPERTY: *Registered design - Revocation of - Application for - Whether there was prior publication of registered design - Definitions of 'industrial design' under s. 3 of the Industrial Designs*
D *Act 1996 - Whether design new within meaning of s. 12 of the Industrial Designs Act 1996 - Whether design should be removed from register - Industrial Designs Act 1996, s. 27(1)(a)*

This was an action brought by the applicant under s. 27(1)(a) of
E Industrial Designs Act 1996 ('the Act') for the revocation of the registration of the respondent's industrial design no. MY 05-01116 registered under the Act in respect of 'Lights for Vehicle' in Class 26-06 on grounds that the said registered design had been disclosed to the public prior to the priority date of the application
F for registration of the industrial design on 30 December 2005 and was therefore not new within the meaning of s. 12 of the Act at the time of the application for registration. The applicant contended that prior to the registration date, the respondent had supplied to WRC, a company in which the respondent held 50%
G shares, for sale, the 'Wira Projector Head Lamp' which carried a design identical or substantially similar to the registered design. The respondent, on the other hand, contended that the registered design was new within the meaning of s. 12 of the Act, denied that it was the party who supplied to WRC the 'Wira Projector
H Head Lamp' for sale and distribution and contended that the 'Wira Projector Head Lamp' sold or offered for sale by WRC carried a design substantially different from the registered design. The issues that arose were (a) whether the respondent's registered design as a whole was identical or substantially similar to the
I leading feature of the design applied to the "Wira Projector Head Lamp' which had been sold or offered or kept for sale by WRC

prior to the registration date; (b) whether there was prior publication of the registered design; (c) whether the registered design was new within the meaning of s. 12 of the Act and (d) whether the registration of the registered design should be revoked and the registered design be removed from the register.

Held (allowing applicant's application):

(1) It was not open to the respondent to take one or more leading features of the design applied to WRC's 'Wira Projector Head Lamp' and to gain monopoly by registering a design which was identical or substantially similar to the design of WRC's 'Wira Projector Head Lamp' without any real mental activity being required for its creation given that the respondent was in similar trade with WRC. An industrial design should not be considered to be new if before the priority date of its application for registration, it or an industrial design differing from it only in immaterial details or in features commonly used in the relevant trade was disclosed to the public anywhere in Malaysia. (paras 22, 23, 25 & 32)

(2) Based on the definitions of 'industrial design' under s. 3 of IDA and relevant authorities, the respondent's said registered design (No MY 05-01116) as a whole was identical or substantially similar to the leading features of the design applied to the 'Wira Projector Head Lamp' which had been sold or offered or kept for sale by WRC prior to the registration date. Hence, there was prior publication of the registered design. That being the case, the registered design was not new within the meaning of s. 12 of the Act (IDA). Therefore, by virtue of s. 27(1)(a) of the same Act, the court was satisfied that the respondent's registered design should be revoked and removed from the register. (para 34)

Case(s) referred to:

Besalon International Limited & Ors v. South Strong Industries Sdn Bhd [1997] 1 CLJ Supp 335 HC ***(refd)***
Malleys Ltd v. JWW Tomlin Ltd [1961] 35 ALJR 352 ***(refd)***
Phillips v. Harbro Rubber Co [1920] 37 RPC 233 ***(refd)***
Phillips v. Harbro Rubber Co [1919] 36 RPC 79 ***(refd)***
Sebel & Co's Application (No 1) [1959] RPC 12 ***(refd)***
Simmons v. Mathieson [1911] 28 RPC 486 ***(refd)***
Teh Teik Boay v. Chuah Siak Loo [1961] 1 LNS 136 ***(refd)***

Legislation referred to:
Industrial Designs Act 1996, ss. 3, 12, 27(1)(a), 28

Other source(s) referred to:
Russell-Clarke's Copyright in Industrial Designs, 3rd edn, p 45

For the applicants - YC Pang; M/s YC Pang & Low
For the respondent - CK Ong; M/s Lim Khey Hoong & Partners

Reported by Suhainah Wahiduddin

JUDGMENT

Ramly Ali J:

Introduction

[1] This is an action brought by the applicant under s. 27(1)(a) of the Industrial Designs Act 1996 for the revocation of the registration of the Respondent's Industrial Design No. MY 05-01116 registered on 30 December 2005 under the Act in respect of "Lights for Vehicle" in Class 26-06 on ground that the said registered design has been disclosed to the public prior to the priority date of the application for registration of the industrial design on 30 December 2005 and was therefore not new within the meaning of s. 12 of the Act at the time of the application for registration.

[2] The applicant contends that there was prior publication of the registered design based on the following facts:

(a) prior to the registration date, the respondent supplied to WRC, a company in which the respondent holds 50% shares, for sale, the "Wira Projector Head Lamp" which carries a design identical or substantially similar to the registered design; and

(b) prior to the registration date, WRC sold, or offered or kept for sale the "Wira Projector Head Lamp" which carries a design identical or substantially similar to the registered design as clearly evidenced by the various advertisements made by WRC.

[3] The applicant further contends that at all material times, the respondent consented to or was aware of (whether actually or constructively knowing) the sale or offer for sale carried out WRC in respect of the "Wira Projector Head Lamp" prior to the registration date.

[4] The respondent on the other hand, contends that the registered design was new within the meaning of s. 12 of the Act at the time of application for registration and that there was no publication of the said design prior to the registration date.

[5] The respondent denies that it was the party who supplied to WRC the "Wira Projector Head Lamp" for sale and distribution. The respondent also denies its involvement in the management of WRC even though it admits its 50% shareholding in the company and contends that as a result thereof the advertisements made by WRC were not related to the respondent.

[6] The respondent contends that the "Wira Projector Head Lamp" sold or offered for sale by WRC (and as shown in the advertisements made by WRC) carries a design substantially different from the registered design.

[7] In this case, it is not disputed that WRC sold, or offered or kept for sale the "Wira Projector Head Lamp" prior to the registration date; and that the respondent hold 50% shares in WRC.

Issues To Be Decided

[8] The issues to be determined by the court are as follows:

(a) whether the respondent's registered design as a whole is identical or substantially similar to the leading feature of the design applied to the "Wira Projector Head Lamp" which has been sold or offered or kept for sale by WRC prior to the registration date of the Respondent's Industrial Design No. MY 05-01116 registered on 30 December 2005 in respect of "Lights for Vehicle" in Class 26-06;

(b) whether there was prior publication of the registered design;

(c) whether the registered design was new within the meaning of s. 12 of the Act; and

A (d) whether the registration of the registered design should be revoked and the registered design be removed from the register.

Findings Of The Court

B **[9]** In the present case, the applicant seeks to revoke the registered design under s. 27(1)(a) of the Act on the ground that at the date of application of the registration for the respondent's industrial design on 30 December 2005, the said design was not new within the meaning of s. 12 of the Act as a result of prior publication.

[10] Section 27(1)(a) of the Industrial Designs Act 1996 (IDA) provides:

D **27. Revocation of registration and grant of compulsory license.**

(1) At any time after the registration of an industrial design, any person may apply to the Court:

E (a) for the revocation of the registration of the industrial design on the ground, subject to Section 12, that the industrial design has been disclosed to the public prior to the priority date of the application for registration of the industrial design;

F and the Court may make such order on the application as it considers just.

[11] Section 28 of the same Act (IDA) curtails the power of the court under s. 27 in the sense that "no order which is inconsistent with any treaty, conventions, arrangement or engagement with any country outside Malaysia shall be made by the court under s. 27."

[12] Section 27(1)(a) of the Act makes reference to s. 12 of the same Act. Section 12 provides:

H 12. Registrable industrial design.

(1) Subject to this Act, an industrial design shall not be registered unless it is new.

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(2) An industrial design for which an application for registration is made shall not be considered to be new if, before the priority date of that application, it or an industrial design differing from it only in immaterial details or in features commonly used in the relevant trade:

(a) was disclosed to the public anywhere in Malaysia; or

(b) was the subject matter of another application for registration of an industrial design filed in Malaysia but having an earlier priority date made by a different applicant in so far as that subject matter was included in a registration granted on the basis of that other application.

(3) For the purposes of paragraph (2)(a), an industrial design shall not be deemed to have been disclosed to the public solely by reason of the fact that, within the period of six months preceding the filing date of an application for registration:

(a) it appeared in an official or officially recognized exhibition; or

(b) it has been disclosed by a person other than the applicant or his predecessor in title as a result of an unlawful act committed by that other person or another person.

[13] Under s. 12 of the Act, it is clearly provided that to qualify for registration, an industrial design must be new or novel at the priority date of the application for registration and any prior publication will destroy the newness or novelty of the design.

[14] The subject matter of the present case is "industrial design". Section 3 of IDA defines "industrial design" as follows:

"industrial design" means features of shape, configuration, pattern or ornament applied to an article by any industrial process or means, being features which in the finished article appeal to and are judged by the eye, but does not include:

(a) a method or principle of construction; or

(b) feature of shape or configuration of an article which:

(i) are dictated solely by the function which the article has to perform; or

A (ii) are dependent upon the appearance of another article of which the article is intended by the author of the design to form an integral part.

[15] The importance of the requirement of "appeal to and are judged by the eye" was succinctly explained in the judgment of B Lord Moulton in *Phillips v. Harbro Rubber Co* [1920] 37 RPC 233, where His Lordship said the following at 239:

> A registered design is not in any way a minor type of patent. It is something that is protected in respect of its appearance or form C alone. It is for this reason that all attempts to make registered designs cover modes of manufacture have rightly failed, and that the Courts have so invariably insisted on the principle that designs must be judged by the eye alone.

[16] Later at p. 240, His Lordship further said the following: D

> But, while questions of the meaning of a design and of fact of its infringement are matters to be judged by the eye, it is necessary with regard to the question of infringement, and still more with regard to the question of novelty or originality, that the eye should be that of an instructed person, ie, that he should know E what was common trade knowledge and usage in the class of articles to which the design applied. The introduction of ordinary, trade variants into an old design cannot make it new or original.

[17] The High Court of Australia in *Malleys Ltd v. JWW Tomlin* F *Ltd* [1961] 35 ALJR 352 stated:

> The existence of that sort of individuality is to be determined by the eye and not by measuring dimensions. It follows that a design need not have the precision of a working drawing; it concerns the shape or configuration of an article, as it appears to the eye. If a G design applied by another has the features that are characteristic of the registered design and are so arranged that to the eye the resulting shape is substantially the same, there is infringement, whereas if the same features are arranged so that to the eye the resulting shape is different there is, in the absence of fraudulent H imitation, no infringement.

[18] In the Court of Appeal in *Phillips v. Harbro Rubber Co* [1919] 36 RPC 79, (which was referred to and followed in *Sebel & Co's Application (No. 1)* [1959] RPC 12), the Master of Roll said the following at p. 85: I

> In my opinion, it is not open to a manufacturer to take one or more leading features of different goods already on the market, and by registering a design showing merely a combination of these features, and without any real mental activity being required for its production, acquire copyright in the registered design. Industries would be unduly hampered, if every such design could be the subject of a monopoly. It would be oppressive in the extreme, if any change in the outline or pattern of such an article would justify the registration of the design, so as to preclude others from making a similar article.

[19] In *Sebel & Co's Application (No. 1)* [1959] RPC 12, the applicants applied for registration of a design relating to a rocking horse. This was a similar design which existed prior to the application for registration but it was substantially different as regards the stand. The applicant claimed that novelty resided in the shape and configuration of the article "as a whole as shown in the representation". The court however held that there was no sufficient novelty in the design, therefore registration was refused. The applicant appealed but it was dismissed by the court.

[20] In *Sebel & Co's Application (supra)*, the court referred to and followed the Court of Appeal's case of *Simmons v. Mathieson* [1911] 28 RPC 486 where Fletcher Moulton LJ said the following at p. 489:

> It was never intended that persons in their trade, in which they are not only justified in using but bound to use the skill which they have acquired during years of practice, in making variations of the shape of the articles they produce, should be harassed by persons claiming monopoly in designs if those are really matters that are open to public. You must have something new before the law will allow you to get any monopoly at all.

[21] In the present case, the respondent never disputed that the "Wira Projector Head Lamp" was already sold, or offered or kept for sale by WRC prior to the registration date of the respondent's registered design.

[22] In such circumstances, the court is of the view that even if assuming the respondent was not the party who supplied to WRC the "Wira Projector Head Lamp" for sale and distribution, by applying the above authorities to the present case, it is not open to the respondent to take one or more leading features of the design applied to WRC's "Wira Projector Head Lamp" and to gain

monopoly by registering a design which is identical or substantially similar to the design of WRC's "Wira Projector Head Lamp" without any real mental activity being required for its creation given that the respondent is in similar trade with WRC.

[23] By comparing exhs. "CCL4" and "CCL6" and by looking at the comparison made in exh. "CCL8", it is clear that the respondent's registered design was not new within the meaning of s. 12 of the Act since taken as a whole the respondent's registered design is identical or substantially similar to the leading features of WRC's "Wira Projector Head Lamp" design, which is the main head lamp (and not the curvy triangle side lamp attached to it).

[24] In the respondent's submission, the respondent attempted to highlight the distinctive figures of the respondent's registered design in para (e) by referring to the various functions of the respondent's design. The court is of the view that in this proceeding, such alleged functions are not relevant factors for consideration in light of the definition of "industrial design" as provided in s. 3 of the Act above. "Functions" are not to be judged by the eye. The "appearance" does.

[25] Under s. 12 of the IDA, an industrial design shall not be registered unless it is new. An industrial design shall not be considered to be new if before the priority date of it's application for registration, it or an industrial design differing from it only in immaterial details or in features commonly used in the relevant trade was disclosed to the public anywhere in Malaysia.

[26] In *Teh Teik Boay v. Chuah Siak Loo* [1961] 1 LNS 136, Hepworth J said the following:

> Broadly speaking, there is publication if the design has been disclosed to the public as opposed to being kept secret. The question which has to be decided is, therefore, has the public been put in possession of the design? Has it knowledge of the design? It is not necessary that the design should have been actually used. There will just as much a publication if it is shown that it was known to the public, without ever having been actually out to use. Thus publication may be of two types, (a) publication in prior documents, (b) publication by prior user. (See *Russell-Clarke's Copyright in Industrial Designs*, 3rd edn, page 39).

[27] In *Russell-Clarke's Copyright in Industrial Designs*, 3rd edn, p 45, the learned author's states: A

> There will be publication if articles to which the design is applied are manufactured and used in such a way that members of the public may see them. It is not necessary that the prior user should have been sold, although, if there is anything in the nature of profitable user by the owner of the design prior to registration, there will undoubtedly be publication. B

[28] In *Teh Teik Boay*'s case, the plaintiff, a registered owner of a design in respect of wooden stools sought an injunction to C prevent the defendant from infringing his design. The defendant argued that there was no infringement since the design was not new or original and that stools of such design or of a design not substantially different had been manufactured for several years by the defendant and other furniture makers before the date of D registration. The defendant further counterclaimed for a declaration that the exclusive privileges and rights in the design had not been acquired by the plaintiff.

[29] The court held that since on the fact it was shown that E stools substantially similar to those which were manufactured to the design which has been registered had been made by the defendant and sold to the public, either directly or through the furniture dealers over a period of five years prior to the registration of the design, there was prior publication of the design and the F design was therefore not new or original. As a result, the plaintiffs claim was dismissed and defendant's counterclaim was allowed.

[30] In *Besalon International Limited & Ors v. South Strong Industries Sdn Bhd* [1997] 1 CLJ Supp 335, the learned judge said the following at pp. 353-354: G

> What amounts to prior publication is clearly stated by *Russell-Clarke on Copyright in Industrial Designs* (5th edn) at page 44:
>
> Broadly speaking, there is publication if the design has been disclosed to the public as opposed to being kept secret. The H question which has to be decided is, therefore, has the public been put in possession of the design? Has it knowledge of the designs? It is not, of course, necessary that every member of the public shall possess the knowledge. It is sufficient, and there will be publication if the knowledge was either I

A (i) available to members of the public; or

(ii) actually in fact shown and disclosed to some individual member of the public who was under no obligation to keep it secret. It is not necessary that the design should have been actually used.

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In conformity with the views expressed by the learned author, I hold that prior publications occur in two ways, namely by prior user or manufacture of goods or objects to which the registered designs has been applied and secondly by prior disclosure of the registered design in documents that are publicly available ...

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Prior use according to *Russell-Clarke* (page 50):

Occurs where the design has been actually applied to articles before the date of registration of the design, and those articles have been used in such a way that the design becomes disclosed to the public.

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From *Teh Teik Boay* [1961] 1 LNS 136, we gather that there will be publication if articles to which the design is applied, are manufactured and used in such a way that members of the public might be exposed to them. It is not a requisite that prior user should have been sold although if there is anything in the nature of profitable user by the owner of the design prior to registration, there will undoubtedly be publication (also see *Russell-Clarke* at page 51).

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F **[31]** In the *Besalon*'s case, the plaintiff was the registered proprietor of a roofing title known as "Luxalon". The registration was made in the United Kingdom under the Registered Designs Act 1949 as amended by the Copyright, Designs and Patents Act 1988. The registered design protection was extended to Malaysia

G by virtue of the United Kingdom Designs (Protection) Act 1949 (West Malaysia), the United Kingdom Designs (Protection) Ordinance (Cap 152) (Sabah) and the Designs (United Kingdom) Ordinance (Cap 59) (Sarawak). The defendant was the registered proprietor of a roofing title in Malaysia known as "Rexy Bond".

H The registration was granted in 1995. The plaintiff sought a declaration that the defendant's registered design was invalid for lack of novelty. This was because there was prior publication of the design in Malaysia as it was exhibited at the Malaysia Building Exhibition in 1993. The defendant argued that a design ought to

I be novel before it is registered in the United Kingdom and submitted that for designs to be registrable in the United Kingdom,

the designs must be new or original and any prior use or publication in Malaysia would destroy the novelty. The court held that the question of novelty is territorial based and found that there was prior publication in Malaysia; thus the plaintiffs "Luxalon" was not new and original in Malaysia.

[32] Based on the aforesaid authorities, the court finds that the sale or offer for sale carried out by WRC in respect of the "Wira Projector Head Lamp" prior to the registration date and the advertisement made in respect thereof clearly amounted to prior publications of the registered design.

[33] Further, in this case, the respondent did not contest substantially the appellant's claim that the respondent was the party who supplied the "Wira Projector Head Lamp" to WRC for sale by providing evidence to the contrary. The respondent had provided a statutory declaration from WRC in exh. "H4" of AJR3 to support its contention that the respondent was not involved in the management of WRC but merely put forward a bare denial to the appellant's claim that the respondent was the party who supplied the "Wira Projector Head Lamp" to WRC for sale. In such circumstances and given the close relationship between WRC and the respondent, adverse inference ought to be drawn against the respondent.

Conclusion

[34] Based on the above considerations, the court makes the following rulings:

(a) based on the definitions of "industrial design" under s. 3 of the IDA and relevant authorities, the court finds that the Respondent's Registered Design (No. MY 05-01116 registered on 30 December 2005 in respect of "Lights for Vehicles" in Class 26-06), as a whole is identical or substantially similar to the leading features of the design applied to the "Wira Projector Head Lamp" which has been sold or offered or kept for sale by WRC prior to the registration date;

(b) that there was prior publication of the registered design;

(c) that being the case, the registered design was not new within the meaning of s. 12 of the Act (IDA); and

A (d) therefore, by virtue of s. 27(1)(a) of the same Act, the court is satisfied that the respondent's registered design should be revoked and removed from the register.

[35] In the premise, the applicant's application (*vide* originating B motion encl 1) is allowed with costs.

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